IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

IN RE: DOUGLAS A. GROOMS Debtor	BANKRUPTCY NO. 16-10030-TPA
	CHAPTER NO. 7
JOSEPH B. SPERO, TRUSTEE Plaintiff	Related to Document No.: _____
v.	ADVERSARY PROC. NO. 16-1041-TPA
COMMUNITY CHEVROLET, INC. and the UNITED STATES OF AMERICA Defendants	

COMMUNITY CHEVROLET, INC.'S NOTICE TO COURT

Community Chevrolet, Inc., through its attorney, John E. Nagurney, Esquire, respectfully files this Notice in conjunction with this Honorable Court's March 14, 2017 Order providing the parties within an opportunity to present additional evidence related to the parties' competing Motions for Summary Judgment.

Community Chevrolet, Inc. consents that these Motions may be adjudicated without further additions to the record.

Community Chevrolet, Inc. urges the court to deny the Trustee's Motion for Summary Judgment for either of two reasons:

1. There was no preferential payment because the payment complained of was part of a Plea Agreement entered into subject to Rule 11 of the Federal Rules of Criminal Procedure, which agreement was finalized by the acceptance of that Plea Agreement by United States District Judge Cercone on July 18, 2016.

Prior to that date, while the payment was in the custody Community Chevrolet, Inc., it was subject to a contingent reversionary interest of the Debtor (or his Estate), the contingency being the *rejection* of the Plea Agreement by Judge Cercone. The payment was finalized upon the acceptance of the Plea Agreement by Judge Cercone on July 18, 2016. Thus, there was no preferential payment.

2. Regardless of the timing, the payment was made for adequate consideration. More specifically, Mr. Grooms' will be released from federal prison 11 months earlier because of the three level reduction in sentencing parameters pursuant to the Plea Agreement (which also mandated the $100,000 payment). The reduction in present time was adequate value received in exchange for the partial restitution payment pursuant to the Plea Agreement.

Regarding the Government's Motion for Summary Judgment, Community Chevrolet, Inc. supports the Government's Motion for Summary Judgment; because, the granting of the Government's Motion will effectively resolve this controversy, and thus render the Trustee's Motion for Summary Judgment as moot.

Respectfully submitted,

/s/ John E. Nagurney, Esquire

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